

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF SOUTH DAKOTA**

In re:  Northern Beef Packers Limited Partnership SSN/ITIN 26-2530200  Debtor.	Bankr. No. 13-10118 Chapter 11  <b>DEBTOR'S MOTION FOR ORDER APPROVING AMENDMENT OF POST- PETITION FINANCING STIPULATION</b>
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Debtor Northern Beef Packers Limited Partnership ("Debtor") hereby moves the Court for an order approving the Second Stipulation Amending and Extending Post-Petition Financing (the "Second Amended Stipulation") attached hereto as Exhibit A. In support of its motion, the Debtor respectfully represents as follows:

1. On July 19, 2013 (the "Petition Date"), the Debtor filed a petition seeking relief under chapter 11 of title 11 of the United States Code (11 U.S.C. § 101 et seq., the "Bankruptcy Code").
2. The Debtor is a debtor in possession under sections 1106 and 1107 of the Bankruptcy Code.
3. On August 13, 2013, the United States Trustee gave notice of the appointment of an official committee of unsecured creditors (the "Committee").
4. This motion arises under 11 U.S.C. §364 and is filed under Fed. R. Bankr. P. 4001(c) and 9014 and Local Rule 4001-3. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§157 and 1334. This is a core proceeding pursuant to 28 U.S.C §157(b). Venue is proper in this Court pursuant to 28 U.S.C. §§1408 and 1409.

**PENDING SALE OF OPERATING ASSETS**

5. On October 16, 2013, the Debtor filed its Motion Pursuant to 11 U.S.C. §§ 105, 363, and 365 for Entry of: (I) Order Approving (A) Bid Procedures, (B) Notice of Sale, Auction,

and Sale Hearing; and (C) Assumption Procedures and Related Notices; and (II) Order Approving the Sale of Assets (the “Sale Motion”). (doc. 466)

6. On November 18, 2013 the Court entered its Order Authorizing Auction Sale of Certain Estate Assets and Related Matters (doc. 566) (as amended by order dated November 20, 2013 (doc. 586), the “Auction Order”).

7. Pursuant to the Auction Order, on December 5, 2013, the Court conducted an auction of the Debtor’s Operating Assets (as defined in the Sale Motion), and on December 6, 2013 entered its Order Authorizing the Sale and the Transfer of Certain Estate Assets to the Successful Bidder (doc. 621) (the “Sale Order”).

8. The Sale Order provides, in relevant part, that:

...White Oak Global Advisors, LLC is the Successful Bidder, with a credit bid of \$39,500,000.00 and a cash bid of \$4,847,160.00, for a total bid of \$44,347,160.00. The final cash portion of White Oak Global Advisors, LLC’s total bid will be determined after all issues regarding the validity, priority, and extent of liens on the Operating Assets sold are resolved...

(doc. 621)

9. The Sale Order further provided that, except as otherwise ordered by the Court, the sale was to close no later than three days after the Sale Order. *Id.*

10. After entry of the Sale Order, White Oak and the Debtor agreed that it would be appropriate to seek an extension of the closing deadline until certain disputes regarding the priority and extent of White Oak’s liens had been resolved.

11. By motion dated December 16, 2013, the Debtor sought an order extending the deadline for the closing of the sale of the Operating Assets, and on January 9, 2014, the Court entered an order extending the deadline for closing of the sale to White Oak “until not later than the date that is 10 days after the date on which this Court enters a judgment in Adv. No. 13-1016...” (doc. 708)

12. In order to continue to provide funding necessary for the administration of this chapter 11 case during the month of January 2014, on January 8, 2014, the Debtor, the Committee, White Oak, and New Angus, LLC (“New Angus”), a White Oak affiliate established for purposes of holding the Operating Assets after closing, entered into a Stipulation Amending and Extending Post-Petition Financing (the “First Amended Stipulation”). (doc. 691)

13. By order entered on January 17, 2014, subject to certain conditions set forth in the order, the Court approved the First Amended Stipulation. (doc. 730)

14. The terms of the Second Amended Stipulation are materially identical to those of the First Amended Stipulation, except that the Second Amended Stipulation provides funding for expenses for the month of February 2014, including \$254,314 in budgeted expenses and up to \$30,000.00 in fees and expenses of the Debtor’s attorneys. See Exhibit A, ¶¶ 1, 7. A document comparison highlighting the differences between the First Amended Stipulation and the Second Amended Stipulation is attached hereto as Exhibit B.

15. The Second Amended Stipulation is in the best interests of the estate. The Sale Order has become a final order, and the Debtor does not believe that there is any material risk that the sale to White Oak will not close. As the Second Amended Stipulation, like the First Amended Stipulation, provides for the waiver any right to repayment of any post-petition financing provided during this chapter 11 case upon closing of the sale of the Operating Assets,<sup>1</sup> approval of the Second Amended Stipulation will not impose any administrative burden on the estate, and will in fact relieve the estate of substantial administrative expenses.

#### **PRIOR REQUESTS FOR APPROVAL OF POST-PETITION FINANCING**

16. By motions dated July 24, 2013 (doc. 45), September 5, 2013 (doc. 321), and January 8, 2014 (doc. 691) the Debtor sought approval of post-petition financing.

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<sup>1</sup> See Exhibit A, ¶ 8.

WHEREFORE, the Debtor requests that the Court enter an order approving the Amended Stipulation and authorizing the Debtor to incur debt in an amount not to exceed \$254,314.00, and granting such further relief as may be just and equitable.

Date: January 24, 2013	<p><b>COZEN O’CONNOR</b></p> <p>By: <u>/s/ Joel D. Nessel</u> Steven H. Sifton (Minn. #260769) Thomas G. Wallrich (Minn. # 213354) Joel D. Nessel (Minn. #030475X) 33 South Sixth Street, Suite 4640 Minneapolis, MN 55402 Phone: (612) 260-9000</p> <p><b>BANTZ, GOSCH &amp; CREMER, L.L.C.</b></p> <p>By: <u>/s/ Rory King</u> Rory King (S.D. #947) 305 Sixth Ave. SE Aberdeen, SD 57402-0970 Phone: (605) 225-2232</p> <p><i>Attorneys for Northern Beef Packers Limited Partnership</i></p>
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